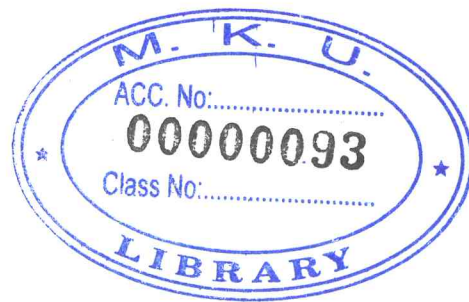


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**AIRLINE INDUSTRIAL UNREST AND STRATEGIC MANAGEMENT  
PRACTICES**

**(A CASE STUDY OF KENYA AIRWAYS)**

**A Research Project Submitted in Partial Fulfillment for the Degree of Master  
of Business Administration of Mount Kenya University**



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## ABSTRACT

The airline industry exists in an intensely competitive market. In recent years, there has been an industry-wide shakedown in form of strikes, which is bound to have far-reaching effects on the industry's trend towards expanding domestic and international services. In the past, the airline industry was at least partly government owned. This is still true in many countries, but Kenya airways is privately owned airline with royal Dutch airline KLM having the biggest share holding. The strategies it puts in place has to a large extent a bearing on operations and how management and staff work together. In Kenya the air travel market, both domestic and international, has been experiencing great competition in recent years due to both the civil aviation regulation and the increasing of customer awareness of service quality. Under the circumstance, airlines not only attempt to establish more convenient routes, but also introduce more promotional incentives, frequent flyer membership program and so on. Airlines hope to consolidate the market share and enhance profitability. However, strikes are bound to affect market share as well as influence margins. The purpose of this study therefore was to find out about airline industrial unrest and strategic management practices with specific reference to Kenya Airways. This project hence has been divided into five chapters. The first provides an Introduction. In it is encompassed the background of the study, the problem statement, the objectives as well as the scope. The second chapter highlights the literature review. In it is disclosed the theoretical as well as the empirical literatures on related aspects of the study. The conceptual framework too is drawn herein. Chapter three reveals the methods that were used to conduct the research. Addressed therein include the research design, the population of the study, the method of analysis and presentation. Chapter four discloses the research findings. It bares the data collection inferences made on the research in the form of tables and figures adduced. Chapter five on the other hand divulges the conclusions and recommendations of the study. The findings of the study in essence expose the reality that to acquire and retain customers in such a highly fragile environment of competition, it is of strategic importance for Kenya airways to understand its relative level of managerial input in terms of staff rationale and pragmatism in industrial operations. These findings are expected to benefit a number of stakeholders. Among them are the airline firms, the government of Kenya, the employees and trade unions in curbing strikes and lockouts.